



**U.S. Department of Justice  
U.S. Attorney's Office  
Western District of Texas**

**Johnny Sutton, U.S. Attorney**

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**FOR IMMEDIATE RELEASE**

Shana Jones, Special Assistant  
Daryl Fields, Public Information Officer  
(210) 384-7452

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**IRS TAX EXAMINING TECHNICIAN PLEADS GUILTY TO ATTEMPTING TO  
TRADE IRS INFORMATION FOR SEXUAL BENEFIT**

**United States Attorney Johnny Sutton** announced that Charles G. Herndon, a Tax Examining Technician with the Internal Revenue Service Center in Austin, pled guilty this afternoon to federal charges in connection with a scheme to trade Internal Revenue Service information for sexual favors.

Appearing in federal court in Austin, Herndon pled guilty to one felony count of making a false statement in IRS records, one felony count of disclosure of Tax information, one felony count of unlawful solicitation by an IRS employee and six misdemeanor counts of unauthorized computer access.

In pleading guilty, Herndon admitted to soliciting private dances, dinner dates and sexual favors from three topless dancers in exchange for assisting them with their federal income tax problems. In carrying out his scheme, Herndon admitted to illegally accessing IRS computers on at least 29 occasions. Herndon also admitted to illegally disclosing protected tax return information in the course of preparing delinquent income tax returns for the dancers. Finally, Herndon admitted to altering information contained in computerized IRS income tax records for one dancer who claimed an earned income tax credit she was not entitled to for tax years 2001 and 2002.

As a result of his guilty plea, Herndon faces up to 19 years in federal prison. No sentencing date has been scheduled.

This case was investigated by the Department of Treasury Inspector General for Tax Administration and is being prosecuted for the government by Assistant United States Attorney Gerald C. Carruth.

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